

WESTERN PLUNGERS BREAK ALL WALL STREET RECORDS.

Wall street dealt in securities of a par value of nearly one billion dollars in the five and one-half days of trading last week. All records were broken in the upward swirl of prices and not notch figures of boom periods of other years were made to look like bar-then prices.

The irresistible wave of stock speculation began last October has moved steadily onward, gaining strength each week and carrying everything before it. Old time methods and standards of value have been pushed aside. Prices of all sorts of securities have been carried along in the movement upward, and now cautious investors are asking who is it that is responsible for the extraordinary and ungovernable tendency in stock market trading. Old time bankers and brokers say that a new spirit that has taken possession of the market is responsible for the wildly extensive manipulations.

Many of these bankers stand aghast, amazed at the enormity and extent of the trading, which has now reached a stage at which it is the sensation of European countries.

ASCRIBED TO WESTERN TRADERS.

This new element, which has taken control of the New York stock market, it is said, are capitalists—men who have made millions in the promotion of consolidations of railroads and industrial trusts, wealthy mine owners, ranch men, and multi-millionaire manufacturers. Scores of men of this class have come to New York within the last year, and to this coterie of speculators Wall street has given the sobriquet of the "Waldorf contingent."

The Waldorf-Astoria has been the Mecca for their wives and their families while in the city, and the name which was formerly applied to a small group of local room traders who met nightly at the Waldorf has been transferred and applied to the new element to whom credit or blame is now generally given for the recent wild movement of stocks on the local stock exchange.

Control of railroads and industrial properties, judged from the volume of the trading in their stocks, has changed hands three or four times within a month. It was only a few days ago that John W. Gates and his former associates directed in the American Steel and Wire Company, John Lambert and Isaac L. Edwold, calmly announced that they had secured control of the stock of the Colorado Fuel and Iron Company. The Moore Brothers, of Chicago, promoters of half a dozen steel companies and other industrialists, for the work of which they received millions, make no secret of the fact that they have obtained control of the Chicago, Rock Island & Pacific.

VIOLENT ADVANCES FORCED.

In both instances the stocks of these companies have had violent advances. In the case of the Colorado Fuel and Iron company the stock has been advanced more than fifty points in less than a month, while Rock Island has jumped nearly twenty points in a still shorter time.

Many other names, whether rightly or wrongly, have been mentioned in connection with other deals. W. E. Reis, president of the National Steel company; D. D. Reid, president of the American Tin Plate company; W. B. Leeds, chairman of the executive committee and vice president of that same company; H. H. Porter, chairman of the Federal Steel company; Charles S. Guthrie, president of the American Steel Hoop company; Guy G. Major, president of the American Lined company; William Edwold, director of the American Steel and Wire company, and W. W. Gourley, general counsel of the Chicago street railway systems and of the American Lined company, are freely mentioned in this connection.

There are scores of other wealthy men holding from Pittsburgh, Cleveland, Chicago, Denver and Omaha, whose names are known in Wall street and to the general public, but who in the last few months have come East to invest a part of their surplus cash and incidentally take a "ding" at the market. The majority of these western speculators deal in thousands of shares and are credited with placing orders with their brokers to buy or sell 10,000 shares with the nonchalance of a veteran trader.

GRADUATES OF CHICAGO WHEAT PIT.

Most of the western contingent have cast their eye teeth on the Chicago wheat pit, where they have bought 50,000 or 100,000 bushels of wheat. Now, it is said, they propose to deal in stocks on the same scale as wheat. They have made millions of dollars in their various lines of business, and with them the purchase or sale of 5,000 or 10,000 shares of stock is considered a mere bagatelle.

It is not uncommon for one of the traders on the floor of the exchange to turn over 20,000 to 30,000 shares of stocks of one or two concerns in a single day. Of the value of money, as it is known in the East, the new plungers are said to have no conception. It is told that at an uptown club mention was made of the death of a steel manufacturer, and one of his associates was asked if he died wealthy.

"Oh, no," was the reply. "He left only \$2,000."

"Don't you call that wealthy?" an old New York broker interrogated.

"Not as the wealth of some of the steel manufacturers goes now," was the significant answer. "Why, they are simply reeking with money."

CHEAP AT PRESENT PRICES.

Recent heavy buying by the western interests is said to be due to the fact that they consider the many stocks in which they trade very cheap at the present prices.

When I asked a well known trader, a director of the American Steel and

Wire company, whether he believed prices had now reached top figures, he replied: "No, they are as cheap now, compared with what they will sell at next fall, as the same stocks were last summer, compared with the prices at which they are now selling."

"The fact is," he continued, "we know the real value of these stocks. We have been on the spot, and we know thoroughly well of what we are talking. The bankers in New York may know the tricks and moves of Wall street from Trinity church to Pearl street, but they don't know the country. They do not know the resources and wealth of the West. Railroad properties like St. Paul and Rock Island, and Union Pacific, that are earning about 10 per cent on their common stocks, we consider gilt edge investments at the prices they are now selling at. There may be reactions from time to time, but these stocks will ultimately sell at their intrinsic value."

"No one can get away from the fact that we are on the verge of a most prosperous era. The industrial conditions of the country were never better, the vast combinations prevent overproduction, and will enable the trade to introduce an element of stability which heretofore has never been attainable. The community of interest now being so extensively worked out among rail-

roads insures maintenance of rates at lower figures, but with more profitable results because of the economies which will be effected."

EXPECTS FURTHER BIG ADVANCES.

"For these reasons, I look for an advance of nearly 40 points, on an average, over present quotations, between now and next October." And so they talk. What the informant of the Herald reporter said is only the expression of one of the many leaders in the present stock movement.

When I talked to one of the conservative New York bankers on the importance of this element in the market, he replied:

"Yes, this so-called Waldorf-Astoria clique has certainly produced a revolution in Wall street methods. Its members frequently place an order to buy 20,000 or 30,000 shares of a certain stock without the slightest fear of the result of the transaction. A few years ago

ing when they bought five hundred shares."

After the election last November Eastern investors and speculators rushed into the market, and, with the assistance of those Western speculators who have made this city their headquarters for several months past, commenced a boom which broke all records. The daily transactions in November exceeded the one million share a day mark, and this continued until December, when a halt was called

can be reproduced for one-half what they are selling for. The present condition of the market is unnatural and liable to lead to great losses and perhaps panic. But all men are not fools. The public will get its eyes open very soon and see the absurdity of trying to represent railroads as worth double what others could be put down beside them for. Who would want to pay twice as much for a house as it would cost to duplicate it?

"Now is the time to exercise prudence, reduce prices, take in sail and keep close to shore."

"What is the cause of this general advance in values?" I asked Mr. Sage. "Reckless speculation," he replied with emphasis.

MRS. SAGE'S VIEW OF SPECULATION.

"They are all drunk with speculation and don't know what they are doing," added Mrs. Sage, who was leaning with deep interest. "They have sent stocks of all sorts up in balloons and think they'll never come down, but they surely will."

"That's just it," remarked Mr. Sage, approvingly. "It's inflation, and it has continued longer than I thought it would. It did seem as if there was intelligence among the men in Wall

ruin of many innocent men drawn in to this financial whirlpool before they realize the dangers.

"I believe in the old fashioned, honest way of doing business, giving men the worth of their money, showing them something of equal value when they are asked to invest."

Of what he called the present craze for the overvaluation of railway properties, Mr. Sage said:

"A very intelligent railroad man, who has built many lines and knows all about their cost, said to me the other day that he could easily duplicate the properties now figuring so widely in the market for half what they are represented to be worth by the sale of inflated stock."

"The worst feature of the market today," he said, "is that this recklessness is leading on to a general expansion of other values, beyond those of railroads. It is all of a piece with the South Sea bubble craze, and will end in disaster if once allowed to affect the general values of the country."

When asked about the rapid growth of trusts, Mr. Sage said:

"Prosperity and confidence are all right, but men should be wise. I do not criticize Mr. Morgan's management of the steel trust. It was properly organized and he made a good representation. But other schemes to which men have been asked to contribute, having nothing to show for the subscriptions solicited, are different. A man expecting to succeed in the world should be honest and never hesitate to show what he proposes to give to his investors."

BELIEVES IN TRUSTS' FUTURE.

"The trusts have grown up with this inflation, but I believe in time they will fall into proper hands and be conducted on sound business lines. This applies to the steel and other great trusts."

When asked if it would be possible in the future to prevent such a wholesale manipulation of the market as seen in the present crisis, Mr. Sage smiled a moment and in a reminiscent way said:

"No, I don't think any law could regulate such matters. Experience is the best teacher. It is expensive, but a man remembers his experience."

"I am for progress, but reasonable progress—progress that is justified by business and events, progress that will not bring losses and panic."

In regard to the buying of foreign bonds, Mr. Sage said: "I see no harm in it. On the contrary, I think it wise from every standpoint. I am in favor of helping our friends in Europe because they helped us. When we needed aid very badly they gave it. Now that there is a chance to return the favor, we should be glad to show our friendship in a practical way, especially when there is nothing to lose by it. I am sure I would be quite willing to participate and help things along, and do a little business for myself at the same time."

"I see no reason for anxiety for the future. There are too many able and honest men in control of affairs to allow the market to plunge the country into a panic. I think everything will come out all right in the end."

J. EDWARD SIMMONS.

"I beg to be excused, I am engaged."

JAMES STILLMAN.

"I am not prepared to talk about the market. If I had anything of value to impart, I certainly should keep it for my own use. If I have nothing of interest to say, then it would be of no use to the Herald."

JAMES R. KEENE.

"I have nothing to say about the situation in Wall street, not a word about the outlook for the future and nothing concerning the market whatever. If I said anything that might not agree with the editor's, and one man's opinion is worth no more than another's. No, I've not a word to say on the subject."

JACOB H. SCHIFF.

"Under the circumstances I prefer to say nothing. I don't think I care to discuss the Wall street situation. It is a matter that I would rather not consider in public. I don't think I could throw any light on the subject. Nothing is known and there is nothing to say."

GEORGE G. HAVEN.

"I thank the Herald for its invitation to talk about the financial situation. But I prefer to remain silent for the present. There are others doubtless more experienced and competent to give advice to the public about the market and its outlook for the future. I don't care to go into print regarding any feature of the street or market."

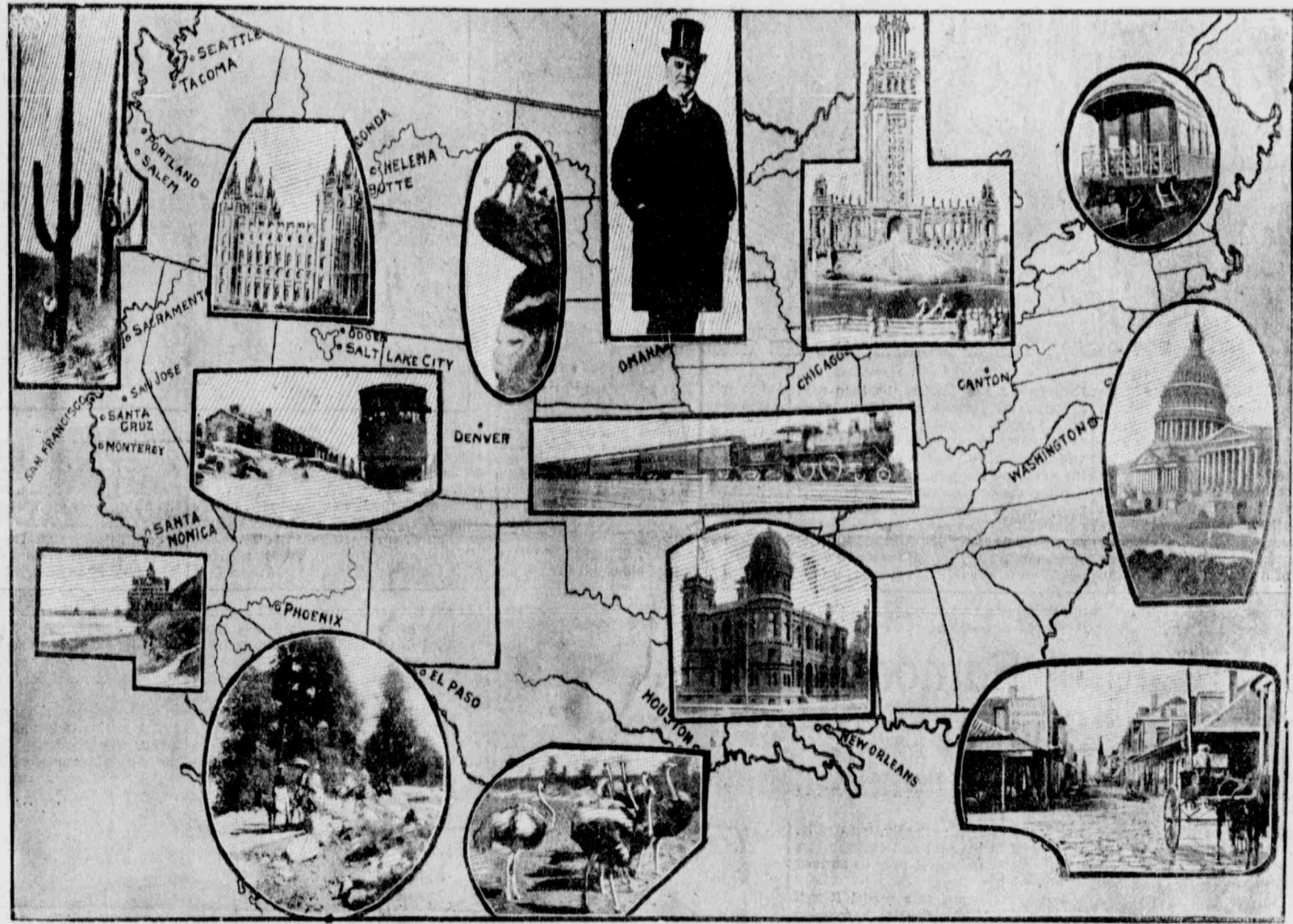
The Sabroan Goes Ashore.

London, April 25.—Advice has been received here that the Peninsular and Oriental steamer Sabroan, which left Shanghai, homeward bound, April 23, went ashore on Tong Ying in a dense fog, on April 24th. Her mails and passengers were landed by Chinese junks at Foo Chow. The Sabroan was launched in 1900. She is reported to be in a critical position.

Later advice says it is expected that the Sabroan will become a total wreck. All of her compartments are full of water. The crew has been landed.

Graphic Story by New York Herald—Records Yield to Western Gold in Wall Street—Millions From the Plains Push Values Upward and Swell Extent of Deals—Trades of a Week Foot Up a Billion—Chicago Wheat Pit Graduates Startle East by Vastness of Ventures—No Reverence for Money—Leaders of Invading Speculative Army Maintain Stocks Will Soar Still Higher—Russell Sage Calls a Halt; Backed by His Wife, Who Says the Street is Imbriated With Speculation—He Pleads for Honesty.

MCKINLEY ON TOUR WILL PASS THROUGH TWENTY-THREE STATES.



Here is the first illustrated halftone map of the President's trip. It gives scenes from all the principal points of interest. The above picture gives a graphic idea of the vast stretch of territory the President of the United States and his party will cover, when they leave Washington on Monday morning, April 29th, on their history making trip to the Pacific coast. The tour will cover twenty-three states and two territories, while the distance traveled will be more than 10,500 miles. The objective point of the trip is San Francisco, California, which the presidential train will reach on Tuesday, May 14th, at 4:40 p. m. Here President McKinley will superintend the launching of the battleship Ohio. All the members of the cabinet except Secretaries Root and Gage and Attorney General Briggs, will accompany the party.

STOCK MARKET'S FRENZY AS SHOWN BY FIGURES.

Nothing better illustrates the speculative character of the stock market during the last four weeks than a study of the activity in the fourteen stocks that follow. The entire issue of stocks of the Amalgamated Copper Company has changed hands nearly three times, so has the common stock issue of American Sugar, while it lacked but 74,495 shares for the sale of the preferred stock of the Missouri, Kansas and Texas Railroad to have changed ownership three times. With the exception of three stocks the table shows that the entire issue of shares changed hands at least once:—

Name of Company	Par Value	Total No. of Shares Sold	Total No. of Shares Issued	Weeks, 1901
Amalgamated Copper	\$ 75,000,000	750,000	1,840,642	1
American Sugar Refining Company	37,500,000	375,000	913,970	1
Atchafalpa, Topeka and Santa Fe	102,000,000	1,020,000	1,012,445	1
Brooklyn Rapid Transit	45,000,000	450,000	484,144	1
Chicago, Burlington and Quincy	109,000,000	1,090,000	1,703,307	1
Chicago, Milwaukee and St. Paul	55,000,000	550,000	1,230,226	1
Chicago, Rock Island and Pacific	50,000,000	500,000	935,940	1
Erie	115,000,000	1,150,000	1,580,820	1
Missouri Pacific	50,000,000	500,000	494,254	1
Missouri, Kansas and Texas	55,000,000	550,000	285,809	1
Missouri, Kansas and Texas pf	13,000,000	130,000	324,475	1
Northern Pacific	80,000,000	800,000	1,382,040	1
Texas and Pacific	38,720,000	387,200	754,896	1
Union Pacific	95,640,000	956,400	1,414,952	1

such an order would have produced a market movement of three or four points. Now, it scarcely affects the market.

"Hitherto such an order was practically unheard of, and none but the boldest operators dealt in five thousand share lots. The eastern broker or banker who bought a five thousand share lot was considered to be a leader among the rank and file. Now, we have brokers executing orders daily for that amount, and we never hear of their names."

"It was only the other day that I received an order over the telephone, from a customer in an uptown hotel, to buy 10,000 shares of a certain stock. I asked the man did he know anything about the stock. He had a balance charge enough on our books to insure us against loss, but I wanted to know whether it would be wise for him to go into a stock so deeply. He replied, in a matter of fact way, that it was all right, and that he believed the stock was worth more than it was then selling at. So I had to execute the order."

EXAMPLE OF WESTERNERS FOLLOWED.

"Of course," he added, "the great increase in transactions on our exchanges is not wholly due to the Western buying. Local traders have to some extent followed the example set by the Western plungers. We find our old traders buying five hundred and a thousand shares a day where formerly they bought one hundred shares and thought they were plung-

by some of the more conservative bankers and brokers in this city. They attempted to show that the prices of stocks were then as high as they had been in previous booms, and it was about time for a reaction. The local professional traders, filled with the lore of many years in Wall street, nodded their heads in approval.

But no break or reaction came. The enthusiasm of the West was not damped by the dire predictions and warnings of the local authorities. In fact, the opposition, it appeared, only increased it. Through January and February the enthusiasm increased. In March the Western contingent was augmented by reinforcements of other capitalists who heard of the vast sums of money netted as profits by their acquaintances who were on the scene before them."

FOR HONEST METHODS.

Russell Sage, when asked yesterday what his idea of the present financial situation was, said it might appear presumptuous for him to discuss Wall street affairs, when so many others were silent. But when asked if it were not a public duty to give a word of advice at a critical time like this he said:

"There is but one way of doing business—keep close to the lines of common sense and honesty."

"We have all been trying to make men see the necessity of getting back to honest values, that we might deal in stocks with ordinary safety."

"Values have not increased," said Mr. Sage. "Properties now so high

street to see the utter impossibility—the folly—the danger—of trying to do business on a fictitious basis. Unless there is a speedy change, and the men who are now adding credit to their senses and return to sound business methods, disaster is inevitable."

"I consider it the duty of the press to tell the truth about the situation, that honest men may take warning before it is too late."

"The longer this financial condition continues, the greater will be the sacrifice in the end, for prices have got to come down. There can be no other way. They must come down."

When asked his opinion of the outlook, Mr. Sage said:—"I am hopeful for the future. I think men will see their peril and act promptly and wisely. I look for a change for the better before a serious panic comes, though the results of these high prices may be the

DRUNK ON SPECULATION, DECLARES MRS. SAGE.

Wall street men are drunk with speculation and don't know what they are doing. They have sent stocks of all sorts up in balloons, and think they'll never come down; but they are wrong, and the descent is sure.

MRS. RUSSELL SAGE.

THE TRAIN IN WHICH PRESIDENT AND CABINET WILL MAKE THEIR EXTENDED TRIP TO THE PACIFIC COAST, COVERING 10,500 MILES.

